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SOUTH AFRICAN QUALIFICATIONS AUTHORITY

REGISTERED UNIT STANDARD:

Conduct working capital management activities in accordance with sound financial management policy

SAQA US ID	UNIT STANDARD TITLE		
119331	Conduct working capital management activities in accordance with sound financial management policy		
SGB NAME		**REGISTERING PROVIDER**	
SGB Public Administration and Management			
FIELD		**SUBFIELD**	
Field 03 - Business, Commerce and Management Studies		Public Administration	
ABET BAND	**UNIT STANDARD TYPE**	**NQF LEVEL**	**CREDITS**
Undefined	Regular	Level 5	12
REGISTRATION STATUS	**REGISTRATION START DATE**	**REGISTRATION END DATE**	**SAQA DECISION NUMBER**
Registered	2005-06-15	2008-06-15	SAQA 0260/05

PURPOSE OF THE UNIT STANDARD

Learners working towards this standard will be working within a Public Sector environment, specialising in Public Finance Management and Administration, where the acquisition of competence against this standard will add value to one`s job. This standard will also add value to public officials who are seeking to develop a career pathway towards becoming an accomplished public finance management and administration specialist.

The qualifying learner is capable of:

- Using the working capital management policy applicable to the public finance management and administration sector.
- Using financial information to inform working capital decisions.
- Managing accounts receivable.
- Managing inventory.
- Managing cash resources.

LEARNING ASSUMED TO BE IN PLACE AND RECOGNITION OF PRIOR LEARNING

Learners accessing this Unit Standard must be in possession of a Further Education and Training Certificate or equivalent qualification.

UNIT STANDARD RANGE

N/A

UNIT STANDARD OUTCOME HEADER

N/A

Specific Outcomes and Assessment Criteria:

SPECIFIC OUTCOME 1

Use the working capital management policy applicable to the public finance management and administration sector.

OUTCOME RANGE

Working capital policy includes but is not limited to estimation of working capital level, financing of current assets, controlling of working capital.

ASSESSMENT CRITERIA

ASSESSMENT CRITERION 1

The working capital policy utilised in the public finance management and administration sector is explained.

ASSESSMENT CRITERION 2

The elements covered by the working capital policy are identified.

ASSESSMENT CRITERION 3

The understanding of the effect of working capital management policy in relation to revenue management in the public sector is clearly demonstrated, and its implications explained in the context of service delivery.

ASSESSMENT CRITERION 4

The need to manage the overall working capital position to meet overall financial management policy is demonstrated.

SPECIFIC OUTCOME 2

Use financial information to inform working capital decisions.

ASSESSMENT CRITERIA

ASSESSMENT CRITERION 1

Liquidity rations are calculated and analysed.

ASSESSMENT CRITERION 2

Reports are prepared in relation to significant liquidity ratios.

ASSESSMENT CRITERION 3

The nature of accounts payable in the public sector is explained.

SPECIFIC OUTCOME 3

Manage accounts receivable.

OUTCOME RANGE

Accounts receivable includes but is not limited to payment terms, analysing credit risk, use of credit standards, collection of overdue accounts.

ASSESSMENT CRITERIA

ASSESSMENT CRITERION 1

Credit management policy of the institution and credit information sources are used to enhance credit control.

ASSESSMENT CRITERION 2

Different processes and procedures are used to collect amounts owed.

SPECIFIC OUTCOME 4

Manage inventory.

OUTCOME RANGE

Inventories include but are not limited to cost-benefits of carrying inventory, Economic Order Quantity Model, inventory control techniques, Just-in-Time inventory management.

ASSESSMENT CRITERIA

ASSESSMENT CRITERION 1

Appropriate economic models are applied to inventory management.

ASSESSMENT CRITERION 2

Economic inventory levels and delivery periods are used to determine inventory models.

ASSESSMENT CRITERION 3

Government guidelines relating to procurement and inventory are applied.

ASSESSMENT CRITERION 4

Budgets for consumable inventory items are prepared and used to guide reporting of utilization of inventory items.

ASSESSMENT CRITERION 5

Provisioning management techniques and practices are used with reference to various inventory items.

ASSESSMENT CRITERION 6

External requisitioning procedures for inventory items are determined using quantitative tools.

SPECIFIC OUTCOME 5

Manage cash resources.

ASSESSMENT CRITERIA

ASSESSMENT CRITERION 1

Liquidity and the different forms of solvency are understood in the context of certain policies.

ASSESSMENT CRITERION 2

A working management approach to cash management is adhered to within the boundaries of legislation.

UNIT STANDARD ACCREDITATION AND MODERATION OPTIONS

- Any individual wishing to be assessed (including through RPL) against this unit standard may apply to an assessment agency, assessor or provider institution accredited by the relevant ETQA, or an ETQA that has a Memorandum of Understanding with the relevant ETQA.

- Anyone assessing a learner against this unit standard must be registered as an assessor with the relevant ETQA, or an ETQA that has a Memorandum of Understanding with the relevant ETQA.

- Any institution offering learning that will enable achievement of this unit standard or assessing this unit standard must be accredited as a provider with the relevant ETQA, or an ETQA that has a Memorandum of Understanding with the relevant ETQA.

- Moderation of assessment will be conducted by the relevant ETQA at its discretion.

UNIT STANDARD ESSENTIAL EMBEDDED KNOWLEDGE

The learner must demonstrate an understanding of:

- Public Finance Management Act.
- Municipal Finance Management Act.
- Policies and procedures that apply to working capital management within the public sector.
- Interpretation of financial statements and information to determine working capital.
- Accounts receivables.
- Inventory management.
- Cash resource management.

UNIT STANDARD DEVELOPMENTAL OUTCOME

N/A

UNIT STANDARD LINKAGES

N/A

Critical Cross-field Outcomes (CCFO):

UNIT STANDARD CCFO IDENTIFYING

Identify and solve problems using critical and creative thinking processes to calculate working capital.

UNIT STANDARD CCFO WORKING

Work effectively with others as a member of a team, group, organization or community to gather all the necessary accounting information to determine working capital amounts.

UNIT STANDARD CCFO ORGANISING

Organise and manage oneself and one`s activities responsibly and effectively in order to ensure that all reports relating to working capital are timeously completed.

UNIT STANDARD CCFO COLLECTING

Collect, analyse, organize and critically evaluate financial information in order to inform working capital decisions.

UNIT STANDARD CCFO COMMUNICATING

Communicate effectively using visual, mathematical and/or language in the modes of oral and/or written persuasion to gather and disseminate working capital information.

UNIT STANDARD CCFO SCIENCE

Use science and technology effectively and critically, showing responsibility to the environment and health of others in ensuring that working capital management systems are effectively utilized.

UNIT STANDARD CCFO DEMONSTRATING

Demonstrate an understanding of the world as a set of interrelated systems by recognising that problem-solving contexts relating to working capital management do not exist in isolation.

UNIT STANDARD CCFO CONTRIBUTING

Participating as responsible citizens in the life of local, national and global communities by ensuring that all working capital policies within the public sector are adhered to.

UNIT STANDARD ASSESSOR CRITERIA

N/A

UNIT STANDARD NOTES

N/A

QUALIFICATIONS UTILISING THIS UNIT STANDARD:

	ID	QUALIFICATION TITLE	LEVEL	STATUS	END DATE
Core	49554	National Diploma: Public Finance Management and Administration	Level 5	Registered	2008-06-15

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